



VEAP

Virginia Enterprise Applications Program

Visibility – Efficiency – Accountability – Progress

ENTERPRISE APPLICATIONS UPDATE

ITIB

April 17, 2008

Peggy Feldmann
Director

Agenda

Operational Background

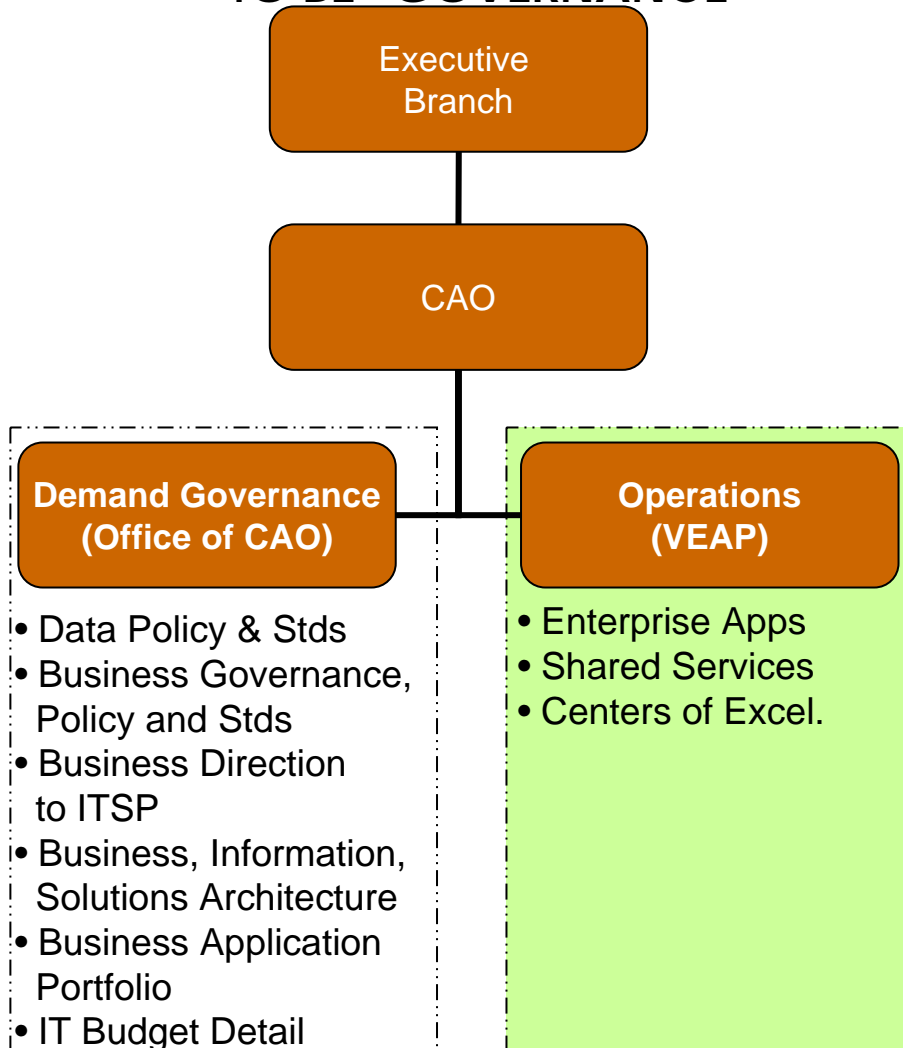
Projects Update

Fiscal Update

Financial Management Project

Focus is VEAP

"TO BE" GOVERNANCE



- Discuss the operations side (VEAP)
 - Enterprise Applications
 - Shared Services
 - Centers of Excellence
- Aspects of VEAP cannot be accomplished without implementing tasks on the Demand Governance side
 - Inventory of the M&O systems
 - Data standards
 - Transition Plans

The Program has changed over time

- Original IT Transformation Strategy
 - IT Transformation would address infrastructure and applications
 - ITIB supervised VITA's focus on infrastructure and executive branch led effort for enterprise applications
- Initial Approach for Applications
 - Take all the Maintenance & Operations for back office applications (including the personnel savings)
 - Partner provides capital investment for developing new applications and captured (mostly personnel) savings over time
 - Approach was dismissed by the Executive Branch in 2005
 - EA Steering Committee Report September 23rd, 2005

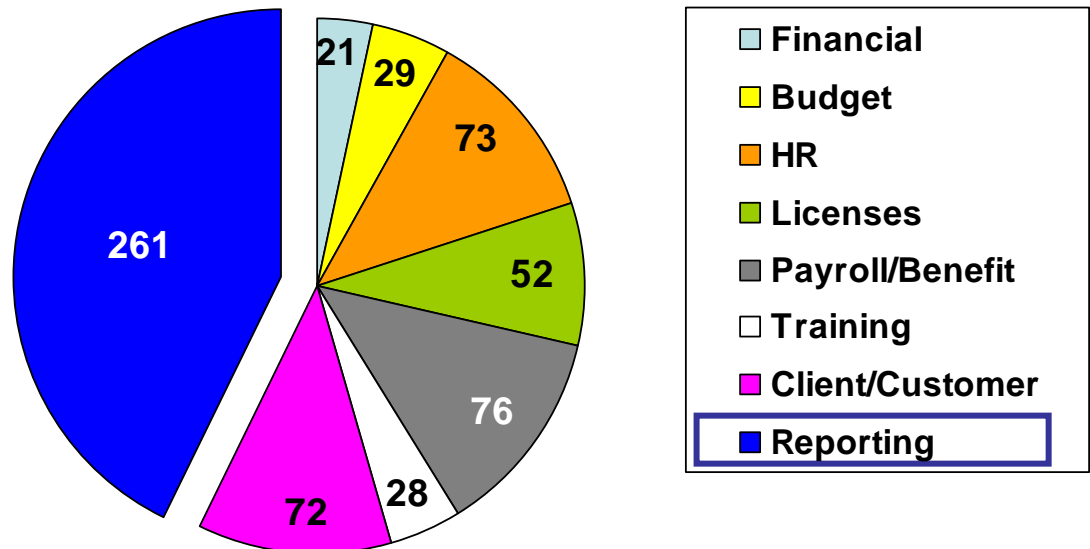
Program positions for long-term success

- VEAP “1.0” from contract award until Dec 2007
 - Enterprise Applications implementation approach
 - VEAP to identify and plan for enterprise applications
 - Vendor to provide planning assistance and fulfill system integration role
 - Vendor to develop benefits stream from collections and recovery enhancements
 - Benefits to be used to fund portfolio until GA funding provided
 - Implementation plan
 - EA Steering Committee report Sept 23, 2005 calls for combination of GF and benefits funded approach
 - 07-08 Budget limited GF support for planning purposes
 - 09-10 Budget does not include support for application development GF support
- VEAP “2.0” Jan 2008 to present
 - Applications strategy focused on existing spend and demand governance
 - Administration focused on outcomes that surface enterprise opportunities
 - VEAP partners with “Lead” agencies on initiatives which lead to enterprise capabilities
 - E-signature (Shared Service – Department of Mines, Minerals and Energy and VDOT)
 - Licensing (Center of Excellence – Department of Health Professions)
 - Financials (Application – Department of Transportation)

Program centers on outcomes as the source of demand

- How do we surface enterprise opportunities?
 - Target redundant applications
 - Target agency non-mission applications
 - Target areas with M&O savings potential

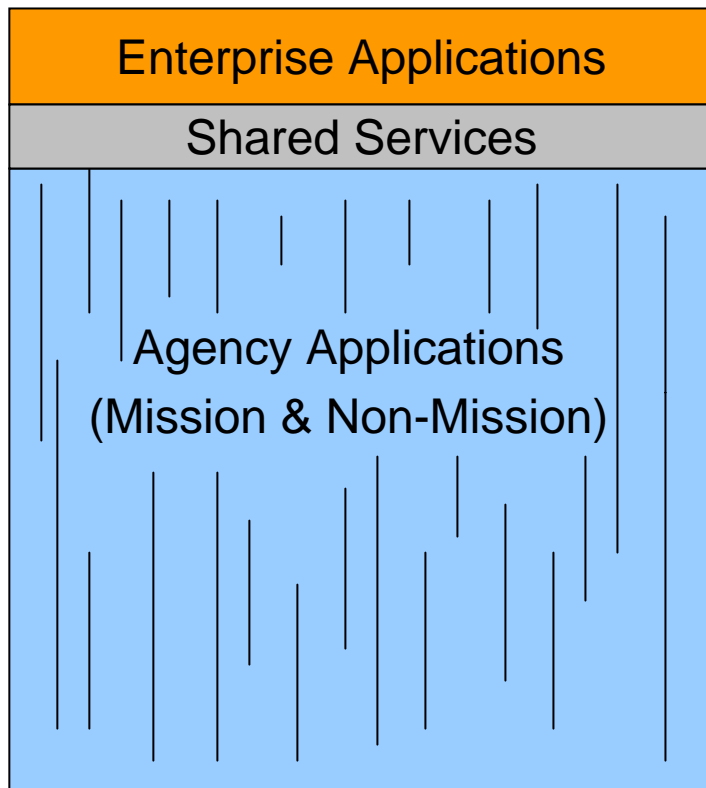
Application Snapshot*



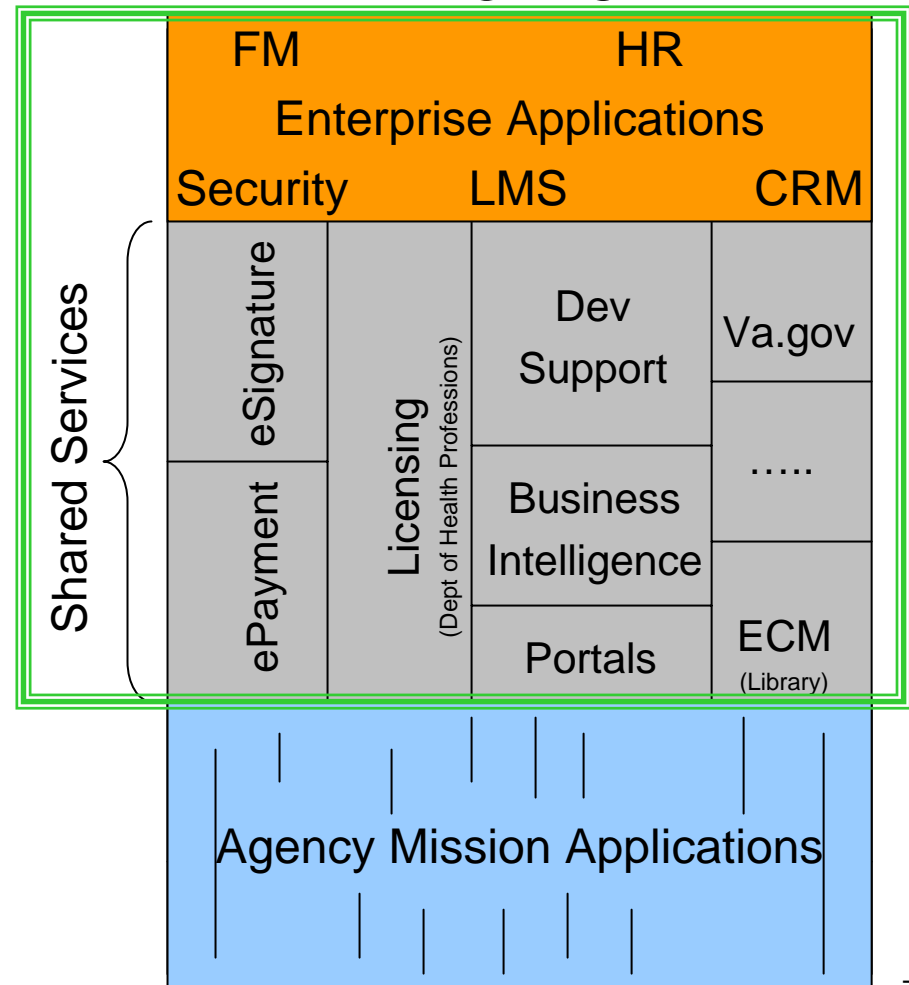
*Note: Derived from data collected during “Due Diligence” effort of 2003

Scope will focus on *non-mission applications*

“As-Is”



“To-Be”



VEAP Summary

- **April 2007 ITIB**
 - Approves qualifications of EA Director
 - Authorizes one month of funding (July 07) to bridge funding until July ITIB (“Slow down the burn rate”)
- **July 2007 ITIB**
 - Approves remaining FY08 EA Budget
 - Financial Management planning extended until April 2008 (Caboose Bill)
- **October 2007 ITIB**
 - EA Director recommends extending planning resources to July 08
- **January 2008 ITIB**
 - CIO / CAO operational planning task
 - FM, PB, and BI procurement strategies detailed
- **April 2008 ITIB**
 - CIO / CAO Operational Plan briefed
 - FM, PB, and BI on track for procurement and development approval
 - FY 09 Budget request

Financial Management is moving forward

- Refresher (from Jan 2008 ITIB)
 - Required Project resources not within the budget
 - RFP on hold
- 12 months of activity
 - VEAP and lead agency (VDOT) are teaming to provide an enterprise financial capability for the Commonwealth (replace CARS)
 - Financial Future State documents completed (“as is” and “to be”)
 - New Commonwealth Chart of Accounts near completion
 - Business Process Improvements candidate papers near completion
 - Financial Data Standards to be developed (09-10 Authorization Bill)
 - Developed an enterprise RFP with VITA SCM
- All of these processes and standards will be used in the VDOT / VEAP financial management project
 - VEAP and DOA engaged from an enterprise perspective
 - Greg Whirley will provide more details in the next brief

Performance Budgeting on track

- Refresher
 - Separated from Financial Management
 - Phased Development
- Update
 - RFP
 - Proposals received and under evaluation
 - Product demonstration scripts under development
 - Expecting contract award late July
 - Project Management
 - Project Manager (JoJo Martin) hired March 18th
 - Agency Oversight Committee membership being established
 - Implementation team membership (CoVA members) under review
 - Project Development Approval
 - Cost estimate and benefit analysis in progress
 - Charter and proposal in process for submission to VITA

Business Intelligence

a Center of Excellence Initiative

- Refresher
 - Enterprise Umbrella Initiative
- Update
 - RFP
 - Proposals received and under evaluation
 - Product demonstration scripts under development
 - Expecting contract award early June
 - Policy
 - That establishes standard
 - Leverages skills and resources
 - System of choice
 - Development/training, test and production environment
 - Establish a BI Center of Excellence
 - Assists agencies with specific BI efforts
 - Provides governance for the use of the BI toolset

Human Resources

(New Initiative for VEAP)

- Evaluating criteria for next steps
 - Modernize, build, buy, SaaS, maintain status quo
- Efforts to date
 - Mainframe modernization technologies
 - Software as a Service (SaaS) technologies
 - SaaS is similar to benefits funded approach (PPEA)
 - Upfront capital by vendor
 - Partnership between vendor and Commonwealth
 - SaaS does not equal “outsource”
 - Agencies retain authority over people and work
 - Software, hardware and maintenance are a vendor responsibility
 - Benefits include low costs of entry, quicker deployments, automatic upgrades, and reduced investment risk

Budget

(as of January 31, 2008)

	Phase I Planning Budget	Actual (01/31/08)	Remaining Budget
Personnel	2,178,393	1,551,796	626,597
<i>EA Project Management Office</i>	578,471	391,146	187,325
<i>CoVA Project Team</i>	1,599,922	1,160,650	439,272
Office Space	0	0	0
Operational Costs	20,375	11,375	9,000
Other	34,177	50,329	-16,152
Contracts	8,752,224	6,843,350	1,908,874
<i>CGI Fixed Fee</i>	1,200,000	1,200,000	0
<i>CGI and Strategic Consultants T&M</i>	5,182,913	4,500,233	682,680
<i>Planning Support</i>	46,561	46,561	0
<i>Executive Recruiter</i>	55,102	55,102	0
<i>Change Management</i>	151,046	56,060	94,986
<i>RFP Requirements Development</i>	65,000	65,000	0
<i>Procurement Assessment</i>	67,479	67,479	0
<i>Supplemental Project SMEs</i>	1,448,664	636,059	812,605
<i>Business Case Development</i>	191,080	91,080	100,000
<i>Performance Budgeting Due Diligence</i>	228,600	59,996	168,604
<i>Independent Verification & Validation</i>	115,779	65,779	50,000
Office Supplies	10,487	7,487	3,000
Travel/Business Meals	4,344	3,744	600
Total:	11,000,000	8,468,081	2,531,919

Proposed FY 2009 Budget

	Budget Bill	Working Capital Advance	Total
Personnel	610,000	2,306,600	2,916,600
EA Project Management Office	610,000	0	610,000
COVA Project Team	0	2,306,600	2,306,600
Office Space	20,432	30,256	50,688
Operational Costs	13,000	12,500	25,500
Other	50,000	0	50,000
Contracts	405,764	9,330,280	9,736,044
Office Supplies	3,000	2,800	5,800
Travel/Business Meals	2,000	1,000	3,000
Total	1,104,196	11,683,436	12,787,632

- Update
 - VEAP and VDOT are teaming to provide an enterprise financial capability for the Commonwealth (replace CARS)
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 - New Commonwealth Chart of Accounts near completion
 - Business Process Improvements near completion
 - Financial Data Standards will be developed (09-10 Authorization Bill)
 - Developed an enterprise RFP with VITA SCM
- All of these processes and standards will be used in the VDOT / VEAP financial management project

RECOMMENDED MOTION

FY09 Administrative Budget

- *“Pursuant to Item 63C.1 of House Bill No. 30 and subject to the General Assembly’s enactment of House Bill No. 30 with no amendments to Item 63, I move that the Board hereby approves the budget of administrative costs for Fiscal year 2009 as presented by the Enterprise Applications Project Office Director. Upon enactment of Item 63 in House Bill No. 30 the Board’s approval shall release the funds appropriated in Item 63 in an amount totaling \$1,104,196 for use in accordance with the approved budget.”*

RECOMMENDED MOTION

Working Capital Advance

- *“Pursuant to Item 63D of House Bill No. 30 and subject to the General Assembly’s enactment of House Bill No. 30 with no amendments to Item 63, I move that the Board hereby approves the Fiscal Year 2009 budget for use of the working capital advance as presented by the Enterprise Applications Project Office Director. Upon enactment of Item 63 in House Bill No. 30 the Board’s approval shall release funds appropriated in Item 63 as a working capital advance in an amount totaling \$11,683,436 for use in accordance with the approved budget.”*